

North East Texas Credit Union

December 17, 2010

Chairman Ben Bernanke
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

Sent Via Email to: regs.comments@federalreserve.gov

Re: Proposed Changes to Credit Insurance Disclosures under Regulation Z and the
Truth-in-Lending Act
Docket No. R-1390

Dear Chairman Bernanke:

My name is Keitha Ann Nilsson. I am the Executive Vice President of North East Texas Credit Union. In addition, I am the branch manager of NETCU's Daingerfield office. Our credit union's asset size is currently \$112.5 million.

The proposed changes to Credit Insurance Disclosures under Regulation Z and the Truth-in-Lending Act are very disturbing to me as a Credit Union member and loan officer.

The language in the proposed disclosures is extremely negative, vague and inaccurate. It totally misrepresents the purpose and value of this type of insurance. In my many years of lending, I have experienced many situations when credit life and/or credit disability has saved a family from financial devastation.

In fact, the manager of our local Brookshire's grocery store unexpectedly died this week. He left behind his wife and nine year old daughter. His wife has always been a stay-at-home mom. She was distraught over his death and even more concerned about how she was going to pay all of his debts and continue to provide for her daughter. I was able to reassure her that she will be able to make it through this difficult time, because he elected to purchase credit life and disability insurance on all of his loans with NETCU. I wish you could have seen the relief that immediately came over her face.

I would hate for the proposed changes to Credit Insurance Disclosures to expose millions of members to unnecessary financial and credit risk. Many members do not qualify for or can afford other types of insurance and the group policy insurance we offer is their only option. Please do not allow the proposed Disclosures to confuse and discourage members from electing a proven payment protection option.

I, personally and on behalf of North East Texas Credit Union, recommend the Federal Reserve to take these concerns under advisement as you consider this new disclosure.

Sincerely,



Keitha A. Nilsson
Executive Vice President
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